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It is my understanding that the Department of Justice has reached a proposed settlement with Microsoft in the matter of the recent anti-trust suit. Despite the established guilt of Microsoft, this settlement calls for only a token cash outlay, no fines, few conduct penalties and great freedom on the part of Microsoft to continue doing business as it wishes.

In my humble opinion, such a settlement is unconscionable. Not only does it fail to remedy the effects of past monopolistic behavior or prevent the same or worse in the future, it leaves the victims of the monopoly without a remedy. Worst of all, it may present a threat to national security.

Certain terms of the proposed settlement, such as the provision of \$900 million in Microsoft software to schools, do nothing to ameliorate the damage done by previous monopolistic behavior. It has been argued that this would only extend the monopoly into an area where Microsoft is currently weak. This should not be allowed. By all means allow Microsoft to make up some of the damage the company has done to schools with its marketing practices, but make them do it in cash. The disposition of the cash should be overseen by people charged with getting the most benefit to the schools; benefit to Microsoft should not be a consideration. For this reason stock is inferior to cash; the value of the stock can be affected by the purchasing decisions of the schools, and Microsoft's welfare should not be a factor in the decision.

Other terms leave much to be desired. Microsoft has been proven to ignore conduct restrictions imposed on it by consent agreements. What is to prevent Microsoft from doing what it pleases regardless of the terms of this settlement? For this reason, I believe that the court was premature in ruling out a structural remedy.

But the most important issue may be national security. Microsoft's dominance in desktop operating systems means that most businesses run it on

most or all of their computers. The vulnerability of Windows and other utilities such as the Outlook mail agent to viruses, worms and Trojan horse software has made both the global Internet and company intranets subject to being swamped with traffic and even crashed. Even crude viruses such as the Love Bug required eradication efforts amounting to billions of dollars world-wide.

This vulnerability is almost entirely due to Microsoft's "integration" of unwanted functionality into Windows and its related utilities. Once such functionality is "integrated", users and companies alike have few ways to remove or disable it if it becomes a liability. If an intelligent and determined enemy were to exploit many such liabilities, the cost to the USA could be far greater than the September 11 disaster.

For this reason, any settlement must stop Microsoft from "integrating" utilities and "middleware" with the operating system. Microsoft should be required to package, sell, install and remove software functionality in distinct, related units. If functionality such as an insecure web browser can be removed and replaced, the damage from an attack on that utility's vulnerability is limited. The effect on competitors to Microsoft may be one of the smaller issues; if such functionality cannot be removed and replaced because it is "integrated" by Microsoft, the entire Internet can potentially be shut down by a single security flaw.

Thank you for your attention to this pressing matter.